

1 BILL NO. S-85-12-15

2 SPECIAL ORDINANCE NO. S-

259-85

3 AN ORDINANCE approving Change Order
4 No. 2, Contract 85-W-3, GM Elevated
5 Storage Tank, with Hydrostorage, Inc.,
6 in connection with the Board of Public
7 Works and Safety of the City of Fort
8 Wayne, Indiana.

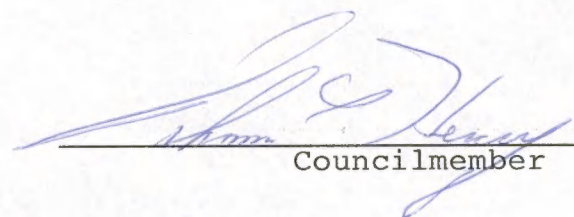
9 NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF
10 THE CITY OF FORT WAYNE, INDIANA:

11 SECTION 1. That Change Order No. 2 for Contract 85-W-3,
12 GM Elevated Storage Tank, with Hydrostorage, Inc., in connection
13 with the Board of Public Works and Safety, for:

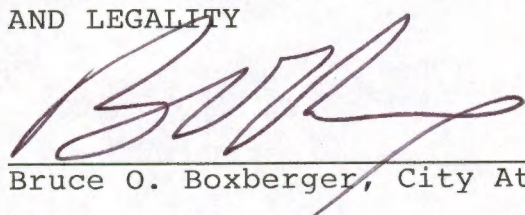
14 Change Order #2 for Contract 85-W-3,
15 GM Elevated Storage Tank, is necessary
16 because the contractor experienced
17 schedule delays, and has encountered
18 weather related difficulties for this
19 project, after being asked to leave
20 the job due to their non-union status.
21 Painting has been delayed to next year;

22 involving a net increase of Fifty-Four Thousand One Hundred
23 Fifty-Nine and 43/100 Dollars (\$54,159.43), all as more particularly
24 set forth in the specifications, and which is on file with the
25 Office of the Board of Public Works and Safety, and is by re-
26 ference incorporated herein, made a part hereof and is hereby in
27 all things ratified, confirmed and approved.

28 SECTION 2. That this Ordinance shall be in full force
29 and effect from and after its passage and any and all necessary
30 approval by the Mayor.

31 
Councilmember

32 APPROVED AS TO FORM
AND LEGALITY


Bruce O. Boxberger, City Attorney

Read the first time in full and on motion by Henry, seconded by Palmer, and duly adopted, read the second time by title and referred to the Committee City Ordinances (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne Indiana, on _____, the _____ day of _____, 19____, at _____ o'clock _____ .M., E.S.

DATE: 12-10-85

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Henry, seconded by Palmer, and duly adopted, placed on its passage. PASSED (LOST) by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>	<u>TO-WIT:</u>
<u>TOTAL VOTES</u>	<u>7</u>	<u>2</u>	_____	_____	_____
<u>BRADBURY</u>	<u>✓</u>	_____	_____	_____	_____
<u>BURNS</u>	_____	<u>✓</u>	_____	_____	_____
<u>EISBART</u>	<u>✓</u>	_____	_____	_____	_____
<u>GiaQUINTA</u>	<u>✓</u>	_____	_____	_____	_____
<u>HENRY</u>	<u>✓</u>	_____	_____	_____	_____
<u>REDD</u>	<u>✓</u>	_____	_____	_____	_____
<u>SCHMIDT</u>	_____	<u>✓</u>	_____	_____	_____
<u>STIER</u>	<u>✓</u>	_____	_____	_____	_____
<u>TALARICO</u>	<u>✓</u>	_____	_____	_____	_____

DATE: 12-23-85

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (~~ANNEXATION~~) (~~APPROPRIATION~~) (~~GENERAL~~)

(~~SPECIAL~~) (~~ZONING MAP~~) ORDINANCE (~~RESOLUTION~~) NO. A-259-85

on the 23rd day of December, 1985,

ATTEST:

Sandra E. Kennedy

(SEAL)

Mark E. GiaQuinta

SANDRA E. KENNEDY, CITY CLERK

PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 26th day of December, 1985, at the hour of 3:00 o'clock P.M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 27th day of December, 1985, at the hour of 3:00 o'clock P.M., E.S.T.

Win Moses, Jr.
WIN MOSES, JR., MAYOR

Change Order No. Two (2)
 Project No. 85 - W-3
 Name of Project GM Elevated Storage Tank
 To: HYDROSTORAGE, INC.
 (Contractor)

Resolution No. _____
 Board Order No. 6-85
 Date November 26, 1985

Gentlemen:

You are hereby requested to comply with the following changes from the contract plans and specifications:

Item No.	Quantity	Description of Change Description	Unit Price	Change in Contract Price Decrease Increase	
A.	Lump Sum	De Mobilization - Re Mobilization	\$15,749.43		\$15,749.43
B.	Lump Sum	Weather Related Inefficiencies	\$25,410.00		\$25,410.00
C.	Lump Sum	Paint Increase due to Delay	\$13,000.00		\$13,000.00
		PER T.I.C. NOVEMBER 25, 1985 LETTER (Copy attached)			
Total Decrease					
Total Increase					\$54,159.43
Net (Decrease) (Increase) <u>IN</u> Contract Price					\$54,159.43

The sum of \$ 54,159.43 is hereby (added to) (~~deducted from~~) the total contract price and the final contract price shall be adjusted as follows:

Original Contract Price	\$ <u>863,330.00</u>
Current Contract Price Adjusted by Previous Change Order	\$ <u>883,940.00</u>
New Contract Price Including This Change Order	\$ <u>938,099.43</u>

The time provided for completion in the contract for this project is (~~unchanged~~) (increased) (~~decreased~~) by 250 calendar days due to this Change Order. The date for completion of all work shall be July 15, 1986. Furthermore, this document shall become an amendment to the contract and all provisions of the contract shall apply hereto.

Recommended by: [Signature] (Chief Water Engineer) Date _____

Accepted by: _____ (Contractor) Date _____

Approved by: _____ (Director of Water Resources) Date _____

Approved by: [Signature] (Chm. Bd. of Works) Date 11-27-85

[Signature] (Member Bd. of Works) Date 11-27-85

[Signature] (Member Bd. of Works)

Attested by: [Signature] (Clerk) Date 11-27-85

Contract No. 85-W-3
Resolution No.

Board Order No. 6-85

REQUEST AND JUSTIFICATION FOR CHANGE

1. Necessity for change: The contractor experienced schedule delays, and has encountered weather related difficulties for this project, after being asked to leave the job due due to their non-union status.

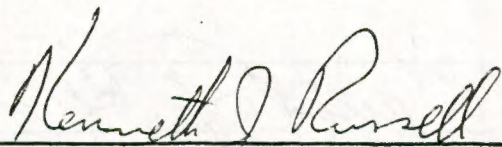
Painting has been delayed until next year.

2. Will proposed change alter size of the project? Yes _____ No X

If yes, explain

3. Affect on operation and maintenance cost of this project:

None



Kenneth J. Russell, P.E. Project Engineer

TANK INDUSTRY CONSULTANTS, INC.

4912 West 16th Street

Speedway, Indiana 46224

Telephone: 317 / 244-3221

November 25, 1985

RECEIVED

NOV 26 1985

FORT WAYNE WATER UTILITY
ENGINEERING DEPT.

Mr. Terry L. Atherton, P.E.
Chief Water Engineer
City of Ft. Wayne
One Main Street, Room 710
Fort Wayne, Indiana 46802

Re: New 1.5 Million Gallon Elevated Water Storage Tank
Contract 85-W-3
TICI 85-IN-453

Dear Mr. Atherton:

Meetings were conducted at the City-County Building in Fort Wayne on Friday, November 22, 1985 to review the Hydrostorage, Inc. request for a change order for additional compensation as a result of the imposed tank erection work stoppage in late June, 1985. The attendees were:

- David J. Kiester; Director, Public Works - City of Fort Wayne
- Terry L. Atherton, P.E.; Chief Water Engineer - City of Fort Wayne
- Kenneth J. Russell, P.E.; Project Engineer - City of Fort Wayne
- Richard C. Reimers; District Manager - Hydrostorage, Inc.
- James R. Foster; Municipal Sales Manager - Hydrostorage, Inc.
- Gary D. Ladd, P.E.; Beam, Longest & Neff Consulting Engineers
- David G. Cull, P.E.; Tank Industry Consultants, Inc.

Hydrostorage, Inc. provided documentation and commentary to justify their claims in accordance with the requirements of Mr. Kenneth J. Russell, P.E. letter of November 6, 1985. The following comments and recommendations regarding Hydrostorage, Inc. request for additional compensation due to the work stoppage, and the completion of tank erection and associated work functions necessary for placing the tank in service were developed in accordance with your instructions at the conclusion of the above-referenced meetings.

The comments and recommendations will be referenced to Mr. R. C. Reimers of Hydrostorage, Inc. letter of October 10, 1985 (copy attached).

- A) Expenses resulting from being directed to stop tank erection - (See Attachment A to R. C. Reimer's October 10, 1985 letter).

Shop Manhours to Load and Unload Tools...Lost Manhours of Field Crew...Cost for Supervision Gary Charbonneau...

I recommend that the costs listed under these headings be included in a change order contingent upon verification by the City through documentation submitted by Hydrostorage, Inc. during the meeting.

Cost of Supervision to be at Job Site...

There was no documentation provided to substantiate this claim at the meeting, therefore I recommend that the costs listed under this heading not be included in a change order.

Transportation Cost to Move Tools...

I recommend that the cost listed under this heading be amended to reflect a cost based upon the additional miles traveled as a result of the work stoppage. The estimate is based upon statements made during the meeting regarding Hydrostorage, Inc. procedure to return tool trailers to Franklin, Tennessee at the end of each job for maintenance and reloading. A unit cost of \$1.10 per vehicle per mile and mileage charts from a Rand McNally Road Atlas were utilized for the calculations.

397 miles X 2 trips X 3 loads X \$1.10 = \$2,620.20

Construction Manager and Contract Manager...

Although Hydrostorage, Inc. cannot document these costs, it is believed that additional costs were incurred as a result of the changes in overall scheduling of not only tank erection activities but also shop fabrication and field subcontracting functions for a number of projects in process at the time of the work stoppage at Fort Wayne, Indiana. I therefore recommend that this cost be included in a change order.

Overheads on Field Crew...H & W @ .85/MH...2 Months Rent...2 Trailer Rented-...

It was my understanding that the costs listed under these headings would not be included in a change order by mutual agreement of those present at the meeting.

The total amount recommended for incorporation into a change order for "Expenses resulting from being directed to stop tank erection" is \$15,749.43.

B) \$6.88/MH for each Man Hour of Labor...

Representatives from Hydrostorage, Inc. advised this additional labor charge was based upon proprietary job history information which had been formulated into company policy for estimated job costs for elevated tank construction done during similar weather conditions over a period of many years. After reviewing the percentage of tank erection completion as of November 1, 1985, the rate of job progress since November 1, 1985, and my opinion of estimated time of completion of tank erection, I recommend that the upper limit amount previously stated by Hydrostorage, \$25,410.00, be incorporated into a change order.

C) Painting Sub-Contractor submitted...

The additional information that was requested to be submitted by the Paint Sub-Contractor was reviewed and found to be satisfactory. I recommend approval of Hydrostorage, Inc. request for \$13,000 for the additional costs to date for field painting as a result of the Project delay. The \$13,000 amount includes Hydrostorage, Inc. six percent administrative overhead and ten percent profit.

All of the participants in the meeting acknowledged the possibility of additional painting cost extras when the tank is painted in the spring of 1986. The charges for additional painting which will be recommended for incorporation into a Hydrostorage, Inc. change order would be those areas determined to have deteriorated as result of prolonged exposure to the weather elements or from immersion of the shop primed interior container surfaces.

The shop primed areas requiring repairs would be determined by Tank Industry Consultants, Inc.; however, Hydrostorage would not be given an additional change order utilizing a method of compensation found acceptable to all parties to the Contract. It is believed that a unit price per square foot basis would be utilized to determine an additional change order amount.

The total amount recommended for incorporation into a change order for additional charges to date as a result of the imposed work stoppage is \$54,159.43.

The tank erection activities are anticipated to be complete about mid-January, 1986. It is my understanding that the City will be filling the tank to test piping, equipment, and instrumentation for the water system expansion project; and

November 25, 1985

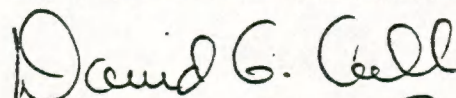
to provide fire protection for the new General Motors plant. Hydrostorage, Inc. will therefore need to complete the valve vault piping, and mounting and installation of the telemeter apparatus on the tank. The tank will need to be washed down and sterilized prior to use on the distribution system. The washdown and disinfection work functions, in my opinion, should be done by Hydrostorage, Inc. or by a subcontractor under their supervision. Hydrostorage, Inc. should be requested to provide a schedule for the completion of functions necessary to permit filling and utilization of the tank at the completion of tank erection activities.

The quality of the shop primer (reference: TICI shop inspection report dated July 9, 1985) was considered as a factor which would influence the amount of rework necessary to repair the previously primed surfaces prior to application of the remaining coat(s) of paint. At the request of R. C. Reimers, I contacted Mr. Mark Johnson of Pitt-Des Moines, Inc. and scheduled an inspection of the tank tentatively during the week of December 11, 1985. It was agreed that Mr. Johnson and a representative of Tank Industry Consultants, Inc. would inspect the surfaces and mark areas of shop primer which were believed to be deficient. This approach was acceptable to Mr. Mark Johnson and to me since a determination should be made before the primed surfaces have an opportunity to deteriorate further as a result of weathering or submerging the surfaces of the tank container.

The above recommendations have been submitted for your use in developing a change order for costs due to delays resulting from an imposed Project work stoppage. A prompt resolution to Hydrostorage, Inc. requests for a change order is necessary to maintain continued progress on the tank erection phase of this Project and in the best interests of all parties to this Project.

Respectfully submitted,

TANK INDUSTRY CONSULTANTS, INC.



David G. Cull, P.E.
Vice President Engineering

DGC/vh

encl:

cc: Gary D. Ladd, P.E. - Beam, Longest & Neff
J. R. Foster - Hydrostorage, Inc., Franklin
R. C. Riemers - Hydrostorage, Inc., c/o Pitt-Des Moines, Inc.

PITT-DESMOINES, INC.
3400 Grand Avenue
Neville Island
Pittsburgh, PA 15225
412-331-3000

RECEIVED

OCT 16 1985

October 10, 1985

FORT WAYNE WATER UTILITY
ENGINEERING DEPT.

Beam, Longest & Neff, Inc.
8136 Castleton Road
Indianapolis, IN 46250

Attention: Gary D. Ladd, P.E.

SUBJECT: 1.5 MG Elevated Water Tank
Fort Wayne, Indiana
Hydrostorage Contract H5520

Gentlemen:

On April 14, 1985, we submitted cost changes for four (4) proposed changes. It is my understanding that the first three (3) items listed have been accepted and that the fourth item has not. Please confirm that this is correct.

During several subsequent telephone conversations, you indicated that you wanted to incorporate into a Change Order a credit for our not providing an engineers's trailer as was requested at the pre-construction conference. However, I now find that we have provided such a trailer, therefore we cannot offer any credit.

Further, a meeting was held in Fort Wayne on August 27, 1985 with Mr. David Kiester, Mr. Terry Atherton, Mr. J. R. Foster with Hydrostorage and the writer concerning the added cost and expenses incurred and to be incurred by Hydrostorage as the direct result of having been directed to stop and delay tank erection, tank painting, etc. At this meeting, general agreement was reached concerning the cause(s) for the added costs, the magnitude of the added costs, and a revised construction schedule.

At the later direction of Mr. Kiester, he indicated that these costs should be submitted to you for incorporating into a Change Order.

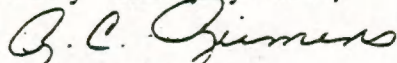
The added costs are -

- A) Expenses resulting from being directed to stop tank erection
(See Attachment A) \$23,185
- B) \$6.88/MH for each Man Hour of Labor (including supervision at jobsite) worked after November 1, 1985. This results from inefficiencies which are caused by our doing tank erection during adverse weather conditions encountered after this date. This amount could amount to \$25,410.
- C) Painting Sub-Contractor submitted additional costs for labor and materials for performing field painting during 1986. These are \$13,000. In addition, there could be additional costs incurred by him as a result of the finish painting having been delayed for an extended period of time. It is presumed that these added costs would only be incurred if additional work was directed by the Tank Painting Inspection company.
- D) The completion date for this project is to be extended To July 15, 1986.

Please issue a Change Order incorporating these items. In the interest of trying to get the tank constructed after receiving notification to again start erection, we are proceeding on the basis that we will be compensated as stated herein and with the revised completion date.

Since a substantial portion of these costs have been incurred and will be added to after November 1, 1985, we request that this Change Order be expedited for acceptance prior to November 1, 1985.

Very truly yours,



R. C. Reimers

CC: Terry Atherton - City of Fort Wayne
David Kieste - City of Fort Wayne
J. R. Ver Hoef
J. R. Foster

Enclosure

RCR/js

ATTACHMENT A

COST ACCUMULATION FOR DELAYS AT FT. WAYNE

Shop Manhours To Load & Then Unload Tools For The Above Contract:

J. Sullivan	34 Hrs x \$9/Hr x 2 For Fringes & Overhead	612.00
T. Coats	34 Hrs x \$9/Hr x 2	612.00
K. Hanes	30 Hrs x \$6.25/Hr x 2	375.00
A. Williams	20 Hrs x \$7/Hr x 2	280.00
J. Merritt	30 Hrs x \$5.50 x 2	330.00
B. Foster	30 Hrs x \$5.75 x 2	345.00
C. Bolton	20 Hrs x \$11/Hr x 2	440.00

Lost Manhours Of Field Crew From 6/27/85 Till They Started Their Next
At Whitehall, Mi On 7/3/85:

T. Stankevitz	16 Hrs x 21.47/Hr x 2 (6/27 - 6/28)	687.04
(Foreman)	2 Days Subsistence @28.80/Day	57.60
	Travel Pay From Mineral Point To Ft. Wayne 392 x .25	98.00
W. Childers	32 Hrs x 19.77/Hr x 2	1,265.28
(Asst. Foreman)	4 Days Subsistence @21.00/Day	84.00
	Travel Pay From Mineral Point To Ft. Wayne 392 x .25	98.00
3 Tank Builders	24 x 3 x 19.22 x 2	2,767.68
	3 Days Subsistence @22.40 x 3 x 3	201.60
	Travel Pay - 3 Men	294.00

Cost For Supervisor Gary Charbonneau To Re-Set This Job:

2 Days Wages	345.00
Fringes	172.50
Expenses	822.33

Cost For Supervisor To Be At Job Site Day Job Started:

Wages	173.00
Fringes	58.00
Expenses	800.00

Transportation Cost To Move Tools On & Then Off Site:

3 Loads	4,500.00
---------	----------

Construction Mgr. & Contract Mgr. Expense To Work On Problem:

2 Days	1,000.00
--------	----------

Overheads On Field Crew .6343 x 4720	2,993.90
H&W @ .85/MH x 120 MH	102.00
2 Months Rent On Portable Toilet	136.00
2 Trailer Rented - 117.00 Mo.	234.00

Total 19,883.93

Admin. 6% 1,193.04

Total 21,076.97

Profit 2,107.70

Total 23,184.66

TITLE OF ORDINANCE Change Order #2, Contract 85-W-3, GM Elevated Storage TankDEPARTMENT REQUESTING ORDINANCE Board of Public Works & Safety *J-85-12-15*

SYNOPSIS OF ORDINANCE Change Order #2 for Contract 85-W-3, GM Elevated Storage Tank,
is necessary because the contractor experienced schedule delays, and has en-
countered weather related difficulties for this project, after being asked to
leave the job due to thier non-union status. Painting has been delayed to
next year. Hydrostorage, Inc., is the contractor.

EFFECT OF PASSAGE To facilitate completion of project.

EFFECT OF NON-PASSAGE _____

MONEY INVOLVED (DIRECT COSTS, EXPENDITURE, SAVINGS) Increase of \$54,159.43

ASSIGNED TO COMMITTEE _____

BILL NO. S-85-12-15

*Added
amended 23rd*


REPORT OF THE COMMITTEE ON CITY UTILITIES

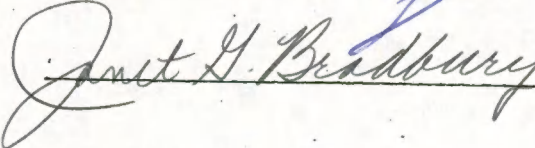
WE, YOUR COMMITTEE ON CITY UTILITIES TO WHOM WAS
REFERRED AN (ORDINANCE) (~~RESOLUTION~~) AN ORDINANCE approving Change Order
No. 2, Contract 85-W-3, GM Elevated Storage Tank, with Hydrostorage, Inc., in
connection with the Board of Public Works and Safety of the City of Fort Wayne,
Indiana.


HAVE HAD SAID (ORDINANCE) (RESOLUTION) UNDER CONSIDERATION AND BEG
LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID (ORDINANCE)
(RESOLUTION)

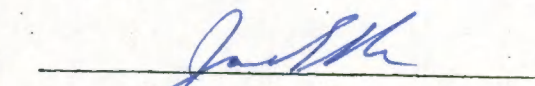
YES


NO


THOMAS C. HENRY
CHAIRMAN


JANET G. BRADBURY
VICE CHAIRWOMAN


DONALD J. SCHMIDT


JAMES S. STIER


CHARLES B. REDD

CONCURRED IN 12-23-15


SANDRA E. KENNEDY
CITY CLERK